

## **Program B: Office of the State Inspector General**

Program Authorization: R.S. 39:3; 39:4; 39:7; 39:8; and 49:212

### **PROGRAM DESCRIPTION**

The mission of the Office of the State Inspector General Program in the Division of Administration is to promote a high level of integrity, efficiency, economy and effectiveness in the operations of the executive branch of state government. In keeping with its mission, the office provides the governor, state officials, state managers, and the general public with an independent means for detection, and deterrence of waste, inefficiencies, mismanagement, misuse and abuse of state resources within the executive branch of state government on a statewide basis. The goals of the Office of the State Inspector General Program in the Division of Administration are:

1. Assist the governor, elected officials and government administrators (department secretaries, agency heads, etc.) by providing timely and pertinent information used for operational decisions, correcting problems, and/or making improvements in state operations.
2. Increase public confidence in state government by (a) providing the general public with a means to report concerns and have those concerns investigated; (b) giving the general public a place for assistance in dealing with other state agencies; and (c) providing the public a central point to express views on legislation and governmental operations.

The Office of the State Inspector General Program in the Division of Administration includes three activities: Administration, Investigative Audits and Operational Audits, Compliance Audits, and Management Services.

The Administration activity includes work performed by the inspector general, state audit director, state audit assistant director, and a secretarial staff of two. Approximately 15% of the office's resources relate to this activity. The primary function of management (inspector general, audit director, and audit assistant director) is to accomplish the goals and objectives of the section with resources appropriated through the budget process, specifically: (a) planning, which includes selecting objectives, identifying alternatives, making decisions, and implementing plans and procedures to achieve specified goals; (b) organizing in such a manner to provide the proper structure for delegation of responsibility, which will allow appropriate assignment of activities and to provide for open lines of communication both formally and informally; (c) staffing, including recruitment, training, and development of abilities to ensure the attainment of specified goals; (d) directing by providing appropriate guidance to subordinates for clear understanding of assignments; (e) controlling by monitoring and evaluating staff activities and taking corrective action when necessary; and (f) coordinating the activities of the staff.

The Investigative Audits activity consists of planning, conducting, and reporting reviews or investigations of waste, mismanagement, fraud, misuse, or abuse of state resources. Approximately 75% of the office's resources are devoted to this activity. The primary function of the individual employee performing an investigative audit is to present a clear, timely, and accurate evaluation of the activity reviewed. To accomplish the task, the employee must: (a) plan the work by establishing objectives and scope of the work, obtain background information including criteria (laws, rules, regulations, policies, etc.), perform a preliminary survey, and create a work plan; (b) perform field work by collecting, analyzing, and interpreting and documenting information related to the objectives of the project in order to support the final results; and (c) communicate the results of the review through both formal and informal methods. After a report is issued and a reasonable period of time has lapsed, follow-up work is performed to ensure that actions have been taken in accordance with recommendations made in formal reports.

The Operational Audits, Compliance Audits, and Management Services activity consists of providing the governor and state management with evaluations of procedures, systems, processes, and records utilized in a functional or organizational area for the purpose of determining the effectiveness, efficiency, and economy of the activity evaluated. Additionally, the audits are conducted to ensure that operations are in compliance with existing laws, rules, and regulations. Management services are available to various agencies or sections for assistance with special needs. For example, the CDBG Program has used this office for assistance in the review of financial reports. This arrangement has enabled the Division of Administration to apply the cost of the service to its administrative match of the CDBG Program. Approximately 10% of the office's resources are applied to this activity. Audit performance requires the same procedures as investigative audits and also uses follow-up work to ensure that recommended actions have been taken.

## OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

**The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Specific information on program funding is presented in the financial sections that follow performance tables.**

1. (KEY) To complete the fieldwork of 80% of cases opened within the same fiscal year.

Strategic Link: This operational objective is an ongoing process toward accomplishing the Division of Administration's Strategic Goal 7: *To provide for the effective and efficient dissemination, execution, and implementation of executive policy and legislative mandates.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of cases opened and closed within the same fiscal year	75%	75% <sup>1</sup>	Not applicable <sup>1</sup>	58.6% <sup>1</sup>	80%	80%

<sup>1</sup> This performance indicator appeared under Act 19 of 1998 and has a FY 1998-99 performance standard. However, the indicator did not appear under Act 10 of 1999 and has no FY 1999-00 performance standard. The value shown for existing performance standard is an estimate not a standard.

GENERAL PERFORMANCE INFORMATION: OFFICE OF THE STATE INSPECTOR GENERAL			
PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of cases opened	130	114	150
Number of cases closed	125	125	145
Number of cases opened and closed in the same fiscal year	91	101	112
Number of referrals to other authorities	31	24	30

2. (KEY) To provide 100% of reports to the Governor no later than 45 working days after the completion of fieldwork.

Strategic Link: This operational objective is an ongoing process toward accomplishing the Division of Administration's Strategic Goal 7: *To provide for the effective and efficient dissemination, execution, and implementation of executive policy and legislative mandates.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of reports issued to the Governor within 45 days after completion of fieldwork	Not applicable <sup>1</sup>	Not available <sup>1</sup>	Not applicable <sup>1</sup>	100% <sup>1</sup>	100%	100%

<sup>1</sup> This is a new performance indicator. It did not appear under Act 19 of 1998 or Act 10 of 1999 and does not have performance standards for FY 1998-99 and FY 1999-00. Data for this indicator were not collected or reported in FY 1998-99. The value shown for existing performance standard is an estimate not a standard.

GENERAL PERFORMANCE INFORMATION: OFFICE OF THE STATE INSPECTOR GENERAL			
PERFORMANCE INDICATOR	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of public reports issued	21	23	19
Recommended dollar recovery	\$345,195	\$518,944	\$108,008

3. (KEY) To provide timely service by completing 75% of Community Development Block Grant (CDBG) reviews within 20 working days and 95% of CDBG reviews within 30 working days..

Strategic Link: This operational objective is an ongoing process toward accomplishing the Division of Administration's Strategic Goal 7: *To provide for the effective and efficient dissemination, execution, and implementation of executive policy and legislative mandates.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of CDBG reviews completed within 20 working days	Not applicable <sup>1</sup>	Not available <sup>1</sup>	Not applicable <sup>1</sup>	75% <sup>1</sup>	75%	75%
K	Percentage of CDBG reviews completed within 30 working days	Not applicable <sup>1</sup>	Not available <sup>1</sup>	Not applicable <sup>1</sup>	95% <sup>1</sup>	95%	95%

<sup>1</sup> This is a new performance indicator. It did not appear under Act 19 of 1998 or Act 10 of 1999 and does not have performance standards for FY 1998-99 and FY 1999-00. Data for this indicator were not collected or reported in FY 1998-99. The value shown for existing performance standard is an estimate not a standard.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$834,380	\$947,310	\$947,310	\$1,097,462	\$1,083,163	\$135,853
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	0	0	0	0	0
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
TOTAL MEANS OF FINANCING	<u><u>\$834,380</u></u>	<u><u>\$947,310</u></u>	<u><u>\$947,310</u></u>	<u><u>\$1,097,462</u></u>	<u><u>\$1,083,163</u></u>	<u><u>\$135,853</u></u>
EXPENDITURES & REQUEST:						
Salaries	\$631,234	\$715,865	\$714,226	\$772,300	\$779,913	\$65,687
Other Compensation	8,520	0	0	0	0	0
Related Benefits	96,775	108,773	116,302	124,275	128,494	12,192
Total Operating Expenses	35,311	57,369	51,245	135,350	109,219	57,974
Professional Services	0	0	0	0	0	0
Total Other Charges	62,087	65,303	65,537	65,537	65,537	0
Total Acq. & Major Repairs	453	0	0	0	0	0
TOTAL EXPENDITURES AND REQUEST	<u><u>\$834,380</u></u>	<u><u>\$947,310</u></u>	<u><u>\$947,310</u></u>	<u><u>\$1,097,462</u></u>	<u><u>\$1,083,163</u></u>	<u><u>\$135,853</u></u>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	18	18	18	18	17	(1)
Unclassified	0	0	0	0	0	0
TOTAL	<u><u>18</u></u>	<u><u>18</u></u>	<u><u>18</u></u>	<u><u>18</u></u>	<u><u>17</u></u>	<u><u>(1)</u></u>

## SOURCE OF FUNDING

This program is funded with State General Fund.

# ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
<b>\$947,310</b>	<b>\$947,310</b>	<b>18</b>	<b>ACT 10 FISCAL YEAR 1999-2000</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$0	0	None
<b>\$947,310</b>	<b>\$947,310</b>	<b>18</b>	<b>EXISTING OPERATING BUDGET – December 3, 1999</b>
\$8,348	\$8,348	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$12,500	\$12,500	0	Classified State Employees Merit Increases for FY 2000-2001
\$342	\$342	0	Risk Management Adjustment
\$46,266	\$46,266	0	Salary Base Adjustment
(\$17,758)	(\$17,758)	0	Attrition Adjustment
(\$14,959)	(\$14,959)	0	Salary Funding from Other Line Items
(\$24,836)	(\$24,836)	(1)	Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01
\$42,755	\$42,755	0	Other Annualizations for partially funded positions in FY 99-00
\$2,444	\$2,444	0	Other Annualizations for training series adjustment
\$80,751	\$80,751	0	Other Adjustments for rental expenses
<b>\$1,083,163</b>	<b>\$1,083,163</b>	<b>17</b>	<b>TOTAL RECOMMENDED</b>
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS</b>
<b>\$1,083,163</b>	<b>\$1,083,163</b>	<b>17</b>	<b>BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001</b>
			<b>SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:</b>
\$0	\$0	0	None
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL</b>
			<b>SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:</b>
\$0	\$0	0	None
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE</b>
<b>\$1,083,163</b>	<b>\$1,083,163</b>	<b>17</b>	<b>GRAND TOTAL RECOMMENDED</b>

The total means of financing for this program is recommended at 114.3% of the existing operating budget. It represents 93.7% of the total request (\$1,155,862) for this program. The primary difference in total recommended and existing operating budget is due to the rental expenses, salary base adjustment and the elimination of the LA Cares function with the associated position.

**PROFESSIONAL SERVICES**

This program does not have funding for Professional Services for Fiscal Year 2000-2001.

**OTHER CHARGES**

**Interagency Transfers:**

\$2,191	Department of Civil Service
\$63,346	Department of Justice for legal services

<b>\$65,537</b>	<b>TOTAL INTERAGENCY TRANSFERS</b>
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**ACQUISITIONS AND MAJOR REPAIRS**

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001.